

Information Technology Strategy and Benefits Fiscal Year 2006

STRATEGIC MANAGEMENT OF INFORMATION RESOURCES

The Railroad Retirement Board is actively pursuing further automation and modernization of its various claims processing systems. Automation initiatives in recent years have significantly improved operations and allowed the agency to reduce staffing in key areas. Ongoing and planned projects will further increase and enhance the efficiency and effectiveness of our benefit payments and program administration. Key initiatives can be grouped into three major categories, as described below.

Application Design Services – Investments in the initiatives in this category focus on automation projects that are critical to our long-range strategy to promote better customer service through automation, while lowering the costs and increasing the efficiency of our operations. The specific investments in this category in fiscal year 2006 include:

- *E-Government (\$150,000)*
This represents the amount required to provide electronic services to the public as mandated by the Government Paperwork Elimination Act of 1998 and other Federal directives as well as the RRB's objective of providing our customers with more flexible service delivery options.
- *IT Task Orders (\$250,000)*
This non-capital item represents funding to implement the President's goals for increasing private-sector competition in commercial-type activities. Contractor resources would be used on a task-order basis to obtain competitive assistance services in application development for a variety of systems needing updating or enhancement to further E-Government initiatives. We also anticipate use of task orders to support database migration efforts.
- *System Development Tools (\$50,000)*
This amount provides for software licenses needed to retool the system development staff, to enable them to build new systems and modify existing legacy systems to meet the goals of the RRB's newly established information technology architecture. Such tools will include the resources needed to continue to develop our Microsoft.NET, SQL, and DB2 environments.
- *FFS Conversion (\$200,000)*
Funding is needed to develop the requirements for a web-based solution to replace the current mainframe-based Federal Financial System (FFS) which has been in use at the RRB since 1985. There will be no further releases of FFS. FFS is used by the agency to support all of the agency's financial activities, including budget, purchasing, accounts payable, automated disbursement, general ledger and financial reporting. It is critical to RRB operations.

Technology Infrastructure Services – These investments are required to establish a firm foundation for the planned technology advances and to maintain our operational readiness. The specific investments in this category in fiscal year 2006 include:

- *Mainframe (\$175,000)*
We replaced the mainframe processor in fiscal year 2004 with a new processor providing flexible enterprise server capabilities and greater capacity than the older system. This amount represents the annual lease expense.
- *Document Imaging (\$100,000)*
Plans for fiscal year 2006 involve the expansion of the system to capture documents in our network of field offices and investigating additional applications.
- *Network/Server Operations (\$338,000)*
This amount represents funding to support the agency's wide area network operations. It also covers mandatory replacement and/or upgrades of servers, network operating software licenses, routers, and switches. We have instituted a 3-year replacement cycle, in which we would replace approximately one-third of the servers each year.
- *Standard Workstation Infrastructure (\$500,000)*
This amount includes funds to support the agency's desktop computing environment, including personal computers and printers, personal computing software suites and other software licenses needed at individual workstations.

Risk Management Services – These investments are required to ensure the security and stability of our electronic systems. As E-Government initiatives progress and the public gains increased access into our systems, risk management takes on increased importance.

- *Information Security (\$150,000)*
During fiscal year 2006, we plan to implement projects to further enhance the agency's security program. Our goals include expanding the role-based training program to include additional employees having responsibility for security of agency information systems. The existing intrusion detection system will need to be maintained and more security program component infrastructure will need to be acquired. The security plans and policy documents will need to be revised, tested and maintained to stay current with the critical business functions essential to accomplishing the RRB's mission. Contractual assistance will be required to complete some of these challenging activities.

Detailed information on the RRB's automation initiatives for fiscal year 2006 follows.

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Application Design Services

Capital Element: **E-Government**

Fiscal Year 2006 Cost: **\$150,000**

Agency Strategy and Benefits:

Initiatives in this category are required to provide electronic services to the public, as mandated by the Government Paperwork Elimination Act of 1998 and other Federal directives. They are also required to achieve our strategic objective of providing our customers with more flexible service delivery options. We will be strengthening our agency's Website by expanding it to provide interactive, individual-specific, electronic services for our customers -- giving them the option of Internet self-service in addition to more traditional means of conducting their business transactions. We have already begun by developing a preliminary array of Internet initiatives offered through our Website. These include a means of making on-line requests for various services, including service and compensation histories, replacement Medicare cards, annuity rate verification letters, duplicate tax statements, and a district office locator service. We now also provide the capability for railroad employees to file unemployment applications and claims via the Internet.

During fiscal year 2005, we will expand the Employer Reporting System, which was rolled out nationwide in December 2003. It will expand services to railroad employers by providing online completion or transmission of additional employer paper forms, providing an acknowledgement of receipt, filing status information, complete and timely information on processing results, testing capabilities, and additional customer support.

During fiscal year 2006, we are planning to implement projects for additional on-line Internet transactions. These include claims for sickness benefits. We also plan to implement interactive applications involving on-line entry of direct deposit and change of address information.

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Application Design Services

Capital Element: **IT Task Orders**

Fiscal Year 2006 Cost: **\$250,000**

Agency Strategy and Benefits:

This non-capital item represents funding to implement the President's goals for increasing private-sector competition in commercial-type activities. Contractor resources would be used for staff augmentation on network engineering and application development projects.

It is anticipated that task orders in fiscal year 2006 would be used to accelerate the development of E-Government initiatives as well as for assistance in mitigating the agency's near-exclusive reliance on a single, non-relational database management system product. We anticipate migrating to multiple relational database management system products to ensure the long-term viability of the agency's development environment, and to maximize the use of commercially available off-the-shelf software products.

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Application Design Services

Capital Element: **System Development Tools**

Fiscal Year 2006 Cost: **\$50,000**

Agency Strategy and Benefits:

In fiscal year 2006, this item provides for software licenses needed to retool the system development staff, to enable them to build new systems and modify existing legacy systems to meet the goals of the RRB's newly established information technology architecture. Such tools will likely include middleware (software that provides connectivity between different applications) and various web-development tools.

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Application Design Services

Capital Element: **FFS Conversion**

Fiscal Year 2006 Cost: **\$200,000**

Agency Strategy and Benefits:

This capital item represents funding needed to convert the mainframe-based Federal Financial System (FFS) to a web-based version. In fiscal year 2003, new releases of the mainframe version ceased, an indication that the product is reaching the end of its life cycle. In order for the agency to properly manage its financial activities, it must have an up-to-date and reliable financial management system.

The plan for fiscal year 2006 is to perform an analysis of how to convert the system and to develop final requirements. The bulk of the expense will be in fiscal year 2007, because a majority of the infrastructure development and functional preparations will be accomplished that year. This includes the purchase and installation of hardware, installation of the software, retrofitting various RRB-specific processes, and providing training. The conversion effort will be completed in fiscal year 2008.

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Technology Infrastructure Services

Capital Element: **Mainframe**

Fiscal Year 2006 Cost: **\$175,000**

Agency Strategy and Benefits:

In fiscal year 2004, we replaced our former mainframe processor, an IBM S/390 Multiprise 2003 2C5, with a new IBM e-server z890 2086 A04. This server provides us with greater flexibility and over 40 percent greater processing capability than the old processor. The increased flexibility and capacity will support the agency's plans for increasingly automated operations, new E-Government functions and planned enterprise architecture strategies. Benefits include reduced energy requirements, faster performance, growth options for increased capacity, and an ongoing ability to install required new releases of operating system software. We procured this replacement processor through a 3-year operating lease with an optional buy-out in the 4th year.

In fiscal year 2005, we are replacing the IBM operating system, OS/390, with the current required operating system, zOS. The mainframe operating system supports our nationwide delivery of services as well as our suite of mainframe legacy application programs and databases.

Requested funding are for months 15 through 26 of a 36 month lease arrangement, with a fair market buyout.

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Technology Infrastructure Services

Capital Element: **Document Imaging**

Fiscal Year 2006 Cost: **\$100,000**

Agency Strategy and Benefits:

The RRB's document imaging systems were implemented beginning in 1993. They have allowed the agency to better serve customers by providing immediate access to many claims documents through workers' PCs. They have also allowed us to reduce paper purchases, and processing and storage costs. These systems have allowed metrics to be put in place to automate claims processing assignments and to measure claims examiner efficiency, particularly RUIA examiners.

In fiscal year 2006, we will be expanding document imaging to allow the field offices to send their work directly into the imaging system, perhaps using proprietary fax software.

We will also investigate the expansion of the imaging system outside of claims processing and adjudication areas into administrative/support areas of the agency. This will help the agency further comply with the Paperwork Reduction Act, reduce costs and improve efficiency.

Finally, funds will be needed for training on imaging system improvements and upgrades.

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Technology Infrastructure Services

Capital Element: **Network/Server Operations**

Fiscal Year 2006 Cost: **\$338,000**

Agency Strategy and Benefits:

This capital item includes funds to support the agency's centralized wide-area network operations.

A shared, intelligent fiber optic backbone for network operations in the headquarters building facilitates the physical movement of information between microcomputer workstations and provides a secure, reliable operating environment. Referred to as the Virtual Local Area Network (VLAN), this backbone allows for flexible communications among the various servers throughout headquarters and the field offices.

The RRB's goal is to ensure a stable and robust network infrastructure to support the agency's program needs. We have converted to Microsoft Windows Advanced Server Active Directory Service, eliminating the remaining Novell servers, upgraded the agency's e-mail system to Exchange 2000, developed an SQL 2000 database environment for development, testing and production, introduced some basic network management and monitoring capabilities, and introduced new firewall technology.

In fiscal year 2006, funding this item will provide for the continued upgrading of the network and replacement of aging servers and other network components, such as routers, switches and their attendant software to ensure reliable and secure communications on a day-to-day basis. We also plan to consolidate servers centrally, where applicable, and introduce more advanced tools to monitor our network and all of our servers. We will also utilize the funds to follow through on implementing recommendations from a Network Assessment planned for fiscal year 2005.

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Technology Infrastructure Services

Capital Element: **Standard Workstation Infrastructure**

Fiscal Year 2006 Cost: **\$500,000**

Agency Strategy and Benefits:

This capital element provides the investment needed to establish and maintain a common framework to support agency-wide operations. It reflects the RRB's strategic intention to maintain standardized equipment profiles based on job functions and business needs. To support our strategy, we have defined specific user profiles for various types of microcomputer workstations, depending on the work requirements of the user. This approach allows for more effective and efficient procurement and controls over desktop equipment.

The agency has established a standard replacement cycle for its desktop computing equipment (hardware and software) to ensure that the RRB staff is adequately equipped to function effectively at their workstations. Failure to continue with the planned replacement cycle can lead to increased risks of downtime, loss of productivity, an inability to use current versions of software as required, and an inability to serve the customers in a timely manner.

This capital investment represents the replacement of about one-quarter of the agency's desktop and laptop computers, along with upgraded software. It also includes the replacement of some peripheral support equipment, such as printers.

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Risk Management Services

Capital Element: **Information Security**

Fiscal Year 2006 Cost: **\$150,000**

Agency Strategy and Benefits:

The RRB's information security program is designed to be a layered defense. Our security strategy is built upon a comprehensive and integrated approach that includes physical and personnel security as well as properly chosen managerial, operational, and technical controls intended to protect the agency's information systems and the data that is collected and processed by those systems. This agency is committed to providing better and more efficient electronic service to the public. Unfortunately, the cost of conducting agency business on the Internet is the exposure to new risks that need to be assessed and mitigated. The RRB computer security program is intended to control those risks and make them manageable.

In fiscal year 2005, we installed the Intrusion Detection System and are currently fine-tuning it. This system improves our ability to monitor and secure agency information from loss or disaster. With contractor support, we also plan to conduct a network vulnerability assessment. We continue to resolve audit recommendations by implementing corrective actions that strengthen controls and document procedures. We plan to develop policy and guidance for certification and accreditation in accordance with newly developed guidance and standards from the National Institute of Standards and Technology and complete the documentation of the Risk Management assessable unit for management control review. We plan to provide technical training for the Computer Security Incident Response Team, general awareness training for agency employees, and specific training for employees with responsibilities for information system security. We will also conduct ongoing system reviews and tests and develop associated reports.

During fiscal year 2006, we plan to implement projects to further enhance the agency's security program. Our goals include expanding the role-based training program to include additional employees having responsibility for security of agency information systems. The existing intrusion detection system will need to be maintained and more security program component infrastructure will need to be acquired. The security plans and policy documents will need to be revised, tested and maintained to stay current with the critical business functions essential to accomplishing the RRB's mission. Contractual assistance will be required to complete some of these activities.